

P. R. SMITH IN TROUBLE.**Sued By a Wisconsin Merchant.****Nathaniel C. Foster Claims to Have Been Swindled Out of Many Thousand Dollars By the Colonel.**

The following article appeared in the *Chicago Dispatch* of the 13th inst. If the statements therein contained are true, it looks as though there might be trouble ahead for the colonel:

What is claimed to be one of the largest swindling schemes ever perpetrated in the west will be exposed on the trial of a damage case begun in the circuit court. The plaintiff in the case is Nathaniel C. Foster, a wealthy lumber merchant of Fairchild, Wis., who is suing Paschal R. Smith, to recover \$60,000 damages. Smith, who resides in Deming, New Mexico, was served with a summons when in Chicago Thursday last and is now in Boston. When apprised of the suit Smith took the next train for Boston for the purpose of seeing Dr. R. C. Flower, the more or less famous traveling physician. Flower is said to have been in the deal and Smith was in hopes of inducing him to pay back the money secured from the lumberman and thus prevent further operation by an exposure of the scheme. Smith's mission was evidently unproductive, for the attorneys today filed a declaration in the case setting forth the facts.

By the suit Foster seeks to recover

treasury the sum of \$67,000. In consideration for this Smith contracted to deliver \$100,000 worth of the company's bonds, which were "as good as cash," and \$133,133 worth of the common stock. In addition to this Foster was to get, by way of a bonus, \$100,000 worth of the special preferred stock. As a special inducement documentary evidence was displayed to show that the land already purchased by the company was worth \$200,000 and that a large portion of the bonds had been already disposed of.

Believing in the representations made by Smith and supplemented by Dr. Flower, Foster signed the contract and gave the alleged swindlers a check for \$41,000 as a first payment on the same. The lumber merchant came back to his home elated and with his pockets bulging with Deming Land and Water company stock. It was not long, however, before he met a man who brought his air castle to the ground by informing him that he was just \$41,000 out of pocket. Foster then began an investigation and soon learned that all the representations made to him concerning the company were false. What little land it possessed was absolutely valueless; not a dollar's worth of bonds had been sold and, in fact, were of no market value; not a dollar of the \$700,000 capital stock was paid up; not a dollar was in the treasury and the assets of the company could be purchased for less than \$10,000.

What was more startling was the fact that the Deming Land and Water company was the third or fourth bogus organization gotten up with the same alleged end in view. By means of these various concerns Smith says he learned capitalists throughout the country had been deceived for an aggregate of about

that it does at the present time, I hail you with democratic delight and bid you God speed and a hearty welcome.

I trust that your principles on the financial line will not be for blood, but for live and let live prices; that you will have the welfare of the town and its inhabitants at heart, and that when opportunity presents itself you will always be found ready and willing to do your part, not waiting until some one says here is a V. say so and so about the town, but do anything that may be in your power to advance the cause of Silver City and its people. Do as the Headlight of Deming does, always say something good about your town and your reward will be sure. Look, if you please, at the effect, and it is a good one, of saying something good about your town and its people. Deming, a town with no advantages (naturally speaking) in comparison to Silver City, has within a few years grown to be a modern city. What has done it? The answer is plain. Unanimous effort, advertising, thrifty people and railroads. Silver City has them all and much more. Her climate is not surpassed in the known world. Her natural advantages are surpassed by but few, if any, western towns. Her citizens are thrifty, kind, congenial, courteous and law abiding. Her schools are the best in the territory. Almost every denomination of religious thought is represented here and are received with

all these things in

aggregate the arid land... tile, productive and... where it was then worth... was to be such a large... had made a garden out... would furnish a vast water... city of Deming, on which... would be realized.

Recently Foster was on a western trip and as usual with him he kept his eye open for an opportunity of engaging in some new enterprise. He met Smith and Flower and heard of the great Deming Land and Water company and became interested. Smith, as he afterward learned, was an old hand at floating bogus companies and soon had the lumber merchant on the run. He went so far, it is said, as to furnish an affidavit that every dollar of the capital stock was paid up and non-assessable and that a large portion of the bonds had been floated.

The company, however, was in need of a few thousand dollars, and if Foster wanted to realize 300 per cent. Smith would be generous enough to let him into the scheme. According to the promoter they needed \$27,000 to finish purchasing the lands and \$47,000 to complete the water course. An agreement was finally entered into by which Foster was to pay into the company's

that three or four such concerns have been run by Smith successfully without his being caught speaks well for his ability in that line. Of course Foster knew that any suit against the company would be for naught and by the advice of Attorneys Smith, Helmer & Moulton and Thompson & McCashin he has sued Smith in an action on the case to recover damages for being swindled out of his thousands. An action will also be commenced, it is said, against Dr. Flower in the near future.

Kind Words From "Progress."**Editor EAGLE:**

I have been informed that you will, within a few days, issue THE EAGLE, and as a citizen of Silver City, in the county of Grant and Territory of New Mexico, I desire to greet you with welcome. Knowing that your political principles are of that staunch old democratic kind, and feeling that the party never stood in greater need of a paper that will advocate its cause and principles, more

assurance... and it is my... felt desire to see... people and the town of... Silver City prosper, and I know there is nothing that will bring prosperity to a town and its people as the voice of a well edited newspaper. Not to be too prolix I will close by saying, charge living prices for advertising, print a pithy, live, readable paper, and success will perch upon your banner; but remember that the Siamese twin brother of genius is industry.

PROGRESS.

Silver City, N. M., August 18, 1894.

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